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DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION

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INITIAL STATEMENT OF REASONS

Subject Matter of Regulations: Employee Notices - Workers' Compensation Benefit Notices and Notice of Employee Rights Upon Termination of Medical Provider Network

Title 8, California Code of Regulations, Sections 9767.16, 9810, 9811, 9812, 9813 and 9813.1.

Section 9767.16	Notice of Employee Rights Upon Termination or Cessation of Use of Medical Provider Network
Section 9810	General Provisions
Section 9811	Definitions
Section 9812	Benefit Payment and Notices
Section 9813	Vocational Rehabilitation Notices
Section 9813.1	Supplemental Job Displacement Benefit and Notice of Modified or Alternative Work Notices

BACKGROUND TO REGULATORY PROCEEDING:

Labor Code section 138.3 requires the administrative director to prescribe reasonable rules and regulations to require employers to serve notice on injured employees that they may be entitled to benefits under Division 4 of the Labor Code. Labor Code section 138.4 requires the administrative director to prescribe reasonable rules and regulations for service on the employee (or employee's dependents, in the case of death), notices dealing with the payment, nonpayment, or delay in payment of temporary disability, permanent disability, and death benefits; notices concerning the provision of vocational rehabilitation services; notices of any change in the amount or type of benefits being provided, the termination of benefits, the rejection of any liability for compensation; and, an accounting of benefits paid.

Labor Code section 4616(a) provides that an insurer or employer may establish or modify a medical provider (hereinafter "MPN") network for the provision of medical treatment to injured employees. Labor Code section 4616(g) provides that the administrative director shall develop regulations that establish procedures for purposes of making modification to an employer's medical provider network.

Section Adopted: Section 9767.16 - Notice of Employee Rights Upon Termination or Cessation of Use of Medical Provider Network.

Specific Purpose of Section 9767.16;

Labor Code section 4616(a) provides that an insurer or employer may establish or modify a medical provider (hereinafter "MPN") network for the provision of medical treatment to injured employees.

Section 9767.16 will provide covered employees whose employer or insurer is going to terminate or otherwise cease the use of an MPN with advance notice of the ending of the MPN, and with information about their rights to medical treatment once the MPN ends.

The proposed regulation will require an employer or insurer planning to terminate or otherwise cease the use of an MPN to give each covered employee written notice, not less than 45 calendar days in advance, of the date on which the use of the MPN will end. The notice to employees will be required to be made available in both English and Spanish.

The proposed regulation will also prescribe the required contents of the notice, including informing covered employees that for injuries occurring on or after the termination or cessation of use of the MPN, they will have the right to either continue treatment with their current physician or select their own physician 30 days after the date they reported their injury, pursuant to Labor Code section 4600.

The proposed regulation will also require the notice to inform covered employees that any injured worker receiving treatment at the time of the effective date of termination or cessation of use of the MPN may be entitled to continuity of care, pursuant to section 9767.10 of these regulations, to continue treatment with their terminated MPN provider. If it is the employer that terminates or otherwise ceases use of the MPN, the regulation will require the employer to advise all covered employees of the insurer's liability for continuing care for ongoing claims, and the potential penalties that may be imposed by the WCAB for unreasonable delay or interruption of that care. If it is the insurer that terminates the MPN, the regulation will require the insurer to advise all covered employees of the insurer's liability for continuing care for ongoing claims, and the potential penalties that may be imposed by the WCAB for unreasonable delay or interruption of that care.

The proposed regulation will also require the notice provide the name, address and telephone number of the person to contact with questions concerning the termination or cessation of use of the MPN, including any questions about continuity of care arrangements.

The proposed regulation will also require the employer or insurer to inform the Division, not less than 30 calendar days in advance, of the termination or cessation by using the "Notice of Material Modification" form set forth at section 9767.8 of the MPN regulations.

Necessity:

Since the effective date of Labor Code section 4616, many employers and insurers have implemented MPNS. Some employers and insurers have either ended the use of an MPN entirely, or switched covered employees from one MPN to another - sometimes with gaps in MPN coverage. There is no current requirement in the exiting MPN or general benefit notice regulations that employers or insurers give covered employees advance notice of the upcoming

termination of their MPN, inform them of their options for obtaining medical treatment upon that termination, or notify the Division of the upcoming termination.

The proposed regulation is necessary to impose these requirements, and ensure that covered employees are informed of their right, and the Division is provided with the information necessary to oversee the MPN program.

In addition, Labor Code section 138.3 requires the administrative director to prescribe reasonable rules and regulations to require employers to serve notice on injured employees that they may be entitled to benefits under Division 4 of the Labor Code. Labor Code section 4616(g) provides that the administrative director shall develop regulations that establish procedures for purposes of making modification to an employer's medical provider network. The adoption of section 9810 is also necessary to comply with these statutory mandates

Section Amended: Section 9810 - General Provisions

Section 9810 describes the general provisions governing the correct procedure and format for notice letters used to inform injured workers about their entitlement to workers' compensation benefits.

Specific Purpose of Amendments to Section 9810;

The proposed amendments will specify the effective date of the proposed amendments to section 9810.

The proposed amendments will allow benefit notices, excepting those mandatory notices set forth in statute or regulation, to be produced in any format developed by the claims administrator, so long as each benefit notice accurately contains all relevant notice elements required by either statute or regulation. Benefit notices will be required to identify and provide contact information for the claims administrator, to identify the individual claims adjuster responsible for adjusting the employee's claim, and identify any attachments sent with the notice. The regulations will also require the administrative director to make sample notices that comply with these requirements available on the DWC website.

The proposed amendments will require a claims administrator to make available to an employee, upon request, copies of medical reports, relevant to any benefit notice issued, which have not already been provided, or which are not required to be provided along with a notice.

The proposed amendments will require a claims administrator to send a represented employee's attorney a copy of any benefit notice pamphlet sent to the represented employee.

The existing regulation requires that copies of all benefit notices sent to injured workers shall be maintained by the claims administrator. The proposed amendments will require that the notice copies be maintained in the claim file, and provide that in lieu of retaining a copy of any attachments to the notice, the claims administrator could identify the attachments by name and

revision date on the notice. The proposed amendments will also provide that the required copies could be maintained in paper or electronic form.

The proposed amendments will require that all benefit notices be made available in both English and Spanish.

The proposed amendments will add a reference citation to Labor Code section 124.

The proposed amendments will make minor non-substantive grammatical changes.

Necessity:

Labor Code section 138.3 requires the administrative director to prescribe reasonable rules and regulations to require employers to serve notice on injured employees that they may be entitled to benefits under Division 4 of the Labor Code. Labor Code section 138.4 requires the administrative director to prescribe reasonable rules and regulations for service on the employee (or employee's dependents, in the case of death), notices dealing with the payment, nonpayment, or delay in payment of temporary disability, permanent disability, and death benefits; notices concerning the provision of vocational rehabilitation services; notices of any change in the amount or type of benefits being provided, the termination of benefits, the rejection of any liability for compensation; and, an accounting of benefits paid.

Allowing benefit notices, except those mandatory notices set forth in statute or regulation, to be produced in any format developed by the claims administrator, responds to a longstanding request from the regulated community that they be allowed flexibility in tailoring notices to their employees' needs.

Requiring notices to identify and provide contact information for the claims administrator and to identify the individual claims adjuster responsible for adjusting the employee's claim improves communications between claims administrators and employees, and should reduce miscommunications which can lead to litigation.

Requiring a claims administrator to make available to an employee, upon request, copies of medical reports, relevant to any benefit notice issued, which have not already been provided, or which are not required to be provided along with a notice, is necessary to increase communication and reduce the need to file a claim before the WCAB in order to engage in formal discovery proceedings.

Requiring a claims administrator to send a represented employee's attorney a copy of any benefit notice pamphlet sent to the represented employee is necessary to ensure that all enclosures sent to an injured worker are sent to his or her attorney.

Providing that that copies of benefits notices sent to injured workers may be maintained in electronic form will allow claims administrators the flexibility to move further toward paperless claim files.

Requiring that all benefit notices be made available in both English and Spanish complies with the mandate of Labor Code section 124.

Section Amended: Section 9811 - Definitions

Section 9811 provides definitions of the term used in the benefit notice regulations.

Specific Purpose of Amendments to Section;

The proposed amendments will add references to a self-administered joint powers authority, a self-administered legally uninsured, and an administrator for an alternative dispute resolution (ADR) program established under Labor Code section 3201.5 or 3201.7 to the definition of the term "claims administrator."

The proposed amendments will delete the existing definition of the term "Date of knowledge of injury."

The proposed amendments will substantially revise the current mandatory statement of employees' remedies, and require every benefit notice, excepting those mandatory notices set forth in statute or regulation, to include the mandatory statement of employee remedies. An alternative statement of employee remedies will be prescribed for employees subject to an alternative dispute resolution (ADR) program under Labor Code sections 3201.5 or 3201.7.

The proposed amendments will delete a redundant reference to "lost time beyond the date of injury" from the existing definition of "injury."

The proposed amendments will add a definition of the term "permanent and stationary status" for any permanent disability evaluation performed pursuant to the permanent disability rating schedule adopted on or after January 1, 2005. The term will be defined as the point when a ratable medical report states that the employee has reached maximal medical improvement, meaning his or her condition is well stabilized, and unlikely to change substantially in the next year with or without medical treatment.

The proposed amendments will add a reference citation to Labor Code sections 3201.5 and 3201.7.

The proposed amendments will also make minor non-substantive grammatical changes.

Necessity:

Adding references to a self-administered joint powers authority and a self-administered legally uninsured to the definition of the term "claims administrator" is necessary to make the definition in the benefit notice regulations consistent with the definition of the term in the Division's other regulations.

Adding a reference to an administrator for an alternative dispute resolution (ADR) program established under Labor Code section 3201.5 or 3201.7 to the definition of the term "claims administrator" is necessary to coordinate the benefit notice regulations with the alternative dispute resolution program regulations. Sections 10201(g) and 10202(i) require that all insurers, self-insured employers, and third party administrators who adjust claims subject to an ADR provision shall comply with the applicable provisions of Labor Code section 138.4 and the administrative regulations contained in Title 8, Cal. Code Regs., Division 1, Chapter 4.5, Subchapter 1, Article 8, commencing with section 9810.

Deletion of the definition of the term "Date of knowledge of injury" is necessary to improve the clarity of the regulations, as knowledge of a claimed injury alone does not trigger any obligation to send a notice under the benefit notice regulations.

The revisions to the current mandatory statement of employees' remedies and requiring every benefit notice, excepting those mandatory notices set forth in statute or regulation, to include the mandatory statement of employee remedies are necessary to improve the quality of the information given to injured workers, encourage communication between injured workers and claims administrators, and inform employees subject to an ADR program that they may have different rights and remedies available to them under that program.

Adding a definition of the term "permanent and stationary status" for any permanent disability evaluation performed pursuant to the permanent disability rating schedule adopted on or after January 1, 2005 as meaning as the point when a ratable medical report states that the employee has reached maximal medical improvement, meaning his or her condition is well stabilized, and unlikely to change substantially in the next year with or without medical treatment is necessary to implement the 2004 amendments to Labor Code section 4660. Those amendments require that permanent disability evaluations incorporate the descriptions and measurements of physical impairments and the corresponding percentages of impairments published in the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment (5th Edition). While workers' compensation community customarily uses the legal term "permanent and stationary", the AMA guides instead use the medical term "maximal medical improvement."

Section Amended: Section 9812 - Benefit Payment and Notices

Section 9812 prescribes the required timeframes for sending benefit notices and the content for notices dealing with each type of benefit to which an injured worker might be entitled.

Specific Purpose of Section;

The proposed amendments will require a claims administrator, unless it had already done so, to include with various benefit notices a copy of the most recent DWC informative pamphlet concerning temporary disability benefits, permanent disability benefits or the Agreed Medical Evaluator/Qualified Medical Evaluator ("AME/QME") medical evaluation process.

The existing regulations provide that if, after a claims administrator has sent a delay notice to advise an employee that the claims administrator cannot make a decision, the claims

administrator is unable to make a decision by the date specified in the delay notice, the claims administrator must send a new delay notice within 5 days after the previously specified determination date.

The proposed amendments will provide that if a claims administrator cannot make a determination on by the date specified in a notice to the injured worker, the claims administrator shall send a subsequent notice to the injured worker, not later than the determination date specified in the previous notice, notifying the injured worker of the new date by which the claims administrator expected the determination to be made.

The proposed amendments will require a claims administrator to include with various notices an explanation of the current AME/QME process for resolving medical disputes. Different specific content will be required depending on whether the employee is represented or unrepresented.

The proposed amendments will require a "Notice of Changed Benefit Rate, Payment Amount or Schedule" to be sent to the employee upon a change in the employee's benefit payment amount.

The proposed amendments will require a permanent disability notice for injuries prior to 1991 where the existence of permanent disability is known, to advise the injured worker of the date on which payments could be expected to begin.

For injuries occurring on or after January 1, 1994, when an injury becomes permanent and stationary, the proposed amendments will require that, together with the last payment of temporary disability, or within 14 days of knowledge that the injury is permanent and stationary or has caused permanent disability, the claims administrator shall provide notice to the injured worker of the procedures available for him or her to obtain a QME or AME evaluation.

For injuries occurring on or after January 1, 2005, and involving permanent disability, the claims administrator shall, concurrently with any increased or decreased payment, notify the injured worker of any increase or decrease in the amount of the injured worker's permanent disability payments, pursuant to Labor Code section 4658, subdivision (d) resulting from the employer's offer of regular, modified or alternative work and acceptance by the injured worker; or resulting from the employer's failure to offer, the employer's early termination of, or the injured worker's refusal to accept the employer's offer of, regular, modified or alternative work. The information will be required to be given in the appropriate PD payment start notice, PD payment resumption notice or notice of change in rate, payment amount or payment schedule.

The proposed amendments will require that for all claims reported on or after April 19, 2004, if an injured worker is entitled to medical care under Labor Code section 5402(c), the claims administrator shall advise the injured worker to send all bills for such treatment to the claims administrator for consideration of payment unless the injured worker has done so already.

The proposed amendments will require that a copy of any Notice Denying Liability for All Compensation Benefits shall be served on all lien claimants or all persons or entities who can reasonably be identified by the claims administrator from information in the claims file to be

potential lien claimants on account of their having furnished benefits, goods or services for which a lien may be filed under Labor Code sections 4903 through 4906, inclusive.

The proposed amendments will require that for claims reported on or after April 19, 2004, regardless of the date of injury, if a claims administrator sends a notice of delay in its decision whether to accept or deny liability for the claim, the notice shall include an explanation of the employee's rights under Labor Code section 5402(c). (Section 5402(c) provides that within one working day after an employee files a claim form, the employer shall authorize the provision of all treatment, consistent with the applicable treatment guidelines, for the alleged injury and shall continue to provide treatment until the date that liability is rejected.) The notice will be required to advise the injured worker that the employer's liability for medical treatment under section 5402(c) is limited to ten thousand dollars ($10,000).

The proposed amendments will make minor non-substantive grammatical changes.

The proposed amendments will add a reference citation to Labor Code sections 4062.1, 4658(d) and extend the reference to section 4903(a) to sections 4903 through 4906.

Necessity:

Requiring the claims administrator to include a copy of the most recent DWC informative pamphlet concerning temporary disability benefits, permanent disability benefits or the Agreed Medical Evaluator/Qualified Medical Evaluator ("AME/QME") medical evaluation process with various benefit notices is necessary to ensure that all injured workers are provided with a minimum level of basic information about potential benefits. This is especially necessary in light of the recent legislative changes to the medical dispute resolution process.

Revising the notice requirements when a claims administrator cannot make a decision by the date set in a delay notice is necessary to improve communications between the injured worker and his or her claims adjuster, eliminate failures to follow up on delay notices, reduce confusion and potentially reduce litigation.

Requiring a claims administrator to include with various notices an explanation of the current AME/QME process for resolving medical disputes is necessary to inform injured workers of the revised process for resolving medical disputes that resulted from recent legislative changes. This is especially important for unrepresented employees.

Requiring a "Notice of Changed Benefit Rate, Payment Amount or Schedule" to be sent to the employee upon a change in the employee's benefit payment amount pursuant to Labor Code section 4658(d) is necessary to incorporate in into the benefit notice regulations the 15 percent increase or decrease in permanent disability indemnity payments due to an injured worker depending on whether or not he or she is offered, and accepts or declines a return to regular, modified or alternative work.

For injuries occurring on or after January 1, 2005, and involving permanent disability, the claims administrator shall, concurrently with any increased or decreased payment, notify the injured

worker of any increase or decrease in the amount of the injured worker's permanent disability payments, pursuant to Labor Code section 4658, subdivision (d) resulting from the employer's offer of regular, modified or alternative work and acceptance by the injured worker; or resulting from the employer's failure to offer, the employer's early termination of, or the injured worker's refusal to accept the employer's offer of, regular, modified or alternative work. The information will be required to be given in the appropriate PD payment start notice, PD payment resumption notice or notice of change in rate, payment amount or payment schedule. For injuries occurring on or after January 1, 2005, and involving permanent disability, the claims administrator shall, concurrently with any increased or decreased payment, notify the injured worker of any increase or decrease in the amount of the injured worker's permanent disability payments, pursuant to Labor Code section 4658, subdivision (d) resulting from the employer's offer of regular, modified or alternative work and acceptance by the injured worker; or resulting from the employer's failure to offer, the employer's early termination of, or the injured worker's refusal to accept the employer's offer of, regular, modified or alternative work. The information will be required to be given in the appropriate PD payment start notice, PD payment resumption notice or notice of change in rate, payment amount or payment schedule.

Requiring a permanent disability notice for injuries prior to 1991, where the existence of permanent disability is known, to advise the injured worker of the date on which payments could be expected to begin is necessary in order to let the injured worker know when benefit payments can be expected to begin.

Requiring a claims administrator, for injuries occurring on or after January 1, 1994, to provide notice when an injury becomes permanent and stationary of the procedures available to obtain a QME or AME evaluation, together with the last payment of temporary disability or within 14 days of knowledge that the injury is permanent and stationary or has caused permanent disability, is necessary in order to implement recent statutory changes to the medical evaluation process, and inform the injured worker of the time limits in which they must act to preserve their rights.

Requiring a claims administrator, for injuries occurring on or after January 1, 1994, to provide notice when an injury becomes permanent and stationary of the procedures available to obtain a QME or AME evaluation, together with the last payment of temporary disability or within 14 days of knowledge that the injury is permanent and stationary or has caused permanent disability, is necessary in order to implement recent statutory changes to the medical evaluation process, and inform the injured worker of the time limits in which they must act to preserve their rights.

Requiring a claims administrator, concurrently with any increased or decreased payment pursuant to Labor Code section 4658(d), to notify the injured worker, in the appropriate PD payment start notice, PD payment resumption notice or notice of change in rate, payment amount or payment schedule, is necessary to incorporate in into the benefit notice regulations the 15 percent increase or decrease in permanent disability indemnity payments due to an injured worker depending on whether or not he or she is offered, and accepts or declines a return to regular, modified or alternative work.

Requiring the claims administrator to advise an injured worker to send all bills for medical care (up to $10,000) under Labor Code section 5402(c) for consideration of payment is necessary to implement the recent enactment of Labor Code section 5402.

Requiring that a copy of any Notice Denying Liability for All Compensation Benefits shall be served on all lien claimants or all persons or entities who can reasonably be identified by the claims administrator from information in the claims file to be potential lien claimants on account of their having furnished benefits, goods or services for which a lien may be filed under Labor Code sections 4903 through 4906, inclusive is necessary in order to implement Labor Code section 4903.5. That section imposes a six months statute of limitations on filing lien claims.

Requiring a claims administrator who sends a notice of delay in its decision whether to accept or deny liability for the claim to include in the notice an explanation of the employee's rights to medical treatment under Labor Code section 5402(c) is necessary in order to implement the recent enactment of Labor Code section 5402.

Section Amended: Section 9813 - Vocational Rehabilitation Notices

Section 9813 prescribes the required timeframes for sending notices, and the required content for each notice, for vocational rehabilitation benefits.

Specific Purpose of Section;

The proposed amendments will state that the section shall not apply to dates of injury on or after January 1, 2004.

The proposed amendments will provide that if a claims administrator cannot make a determination by the date it specified in a notice to the injured worker, the claims administrator shall send a subsequent notice to the injured worker, not later than the determination date specified in the previous notice, notifying the injured worker of the new date by which the claims administrator now expects the determination to be made.

The proposed amendments will eliminate any reference to the RU 101 case initiation document.

The proposed amendments will require that if vocational rehabilitation benefits were being denied on the basis that the employee is not medically eligible, unless a copy has already been provided, the claims administrator shall provide a copy of the DWC informative pamphlet "QME/AME Fact Sheet" to the employee along with the notice of denial.

The proposed amendments will update the references to the 1994 version of the "Help in Returning to Work" informational pamphlet to the current version of the pamphlet set forth in Title 8, California Code of Regulations, section 10133.2.

The proposed amendments will clarify that the vocational rehabilitation notice requirements for injuries occurring in 1994 only apply to dates of injury through and until December 31, 2003.

Necessity:

Stating that the section shall not apply to dates of injury on or after January 1, 2004 is necessary to implement the legislative repeal of the vocational rehabilitation benefit for all dates of injury on or after January 1, 2004.

Requiring that if a claims administrator cannot make a determination by the date it specified in a notice to the injured worker, the claims administrator shall send a subsequent notice to the injured worker, not later than the determination date specified in the previous notice, notifying the injured worker of the new date by which the claims administrator now expects the determination to be made.

Eliminating any reference to the RU 101 case initiation document is necessary as no new cases can be opened due to the legislative repeal of the vocational rehabilitation benefit for all dates of injury on or after January 1, 2004.

Requiring a claims administrator to provide a copy of the DWC informative pamphlet "QME/AME Fact Sheet" to the employee (unless a copy has already been provided) along with a notice of denial if vocational rehabilitation benefits are being denied on the basis that the employee is not medically eligible is necessary to ensure that all injured workers are provided with a minimum level of basic information about potential benefits. This is especially necessary in light of the recent legislative changes.

Updating references to the 1994 version of the "Help in Returning to Work" informational pamphlet to the current version of the pamphlet set forth in Title 8, California Code of Regulations, section 10133.2 is necessary to require the claims administrator to provide injured workers with updated information and to conform this section to the amended vocational rehabilitation regulations.

Stating that the vocational rehabilitation notice requirements only apply to dates of injury through and until December 31, 2003 is necessary to implement the legislative repeal of the vocational rehabilitation benefit for all dates of injury on or after January 1, 2004.

Section Adopted: Section 9813.1 - Supplemental Job Displacement Benefit and Notice of Modified or Alternative Work Notices

Proposed new section 9813.1 will prescribe required timeframes for sending notices, and require the use mandatory form notices prescribed by the applicable regulations, for supplemental job displacement benefits and offers of regular, modified or alternative work.

Specific Purpose of Section;

The proposed regulation would provide that unless the employer had previously advised an employee of their potential right to the supplemental job displacement benefit, a claims administrator would be required to send a "Notice of Potential Right to Supplemental Job

Displacement Benefit", in a prescribed format and by certified mail, within 10 days of the last payment of temporary disability indemnity.

The proposed regulation would provide that where an injured worker is able to return to their usual and customary job, their employer would be required to send the employee a "Notice of Regular Work" in the form and manner prescribed by section 10002, regular work.

The proposed regulation would provide that where an injured worker is unable to return to their usual and customary job, their employer would be required to send the employee a "Notice of Modified or Alternative Work", in a prescribed format and by certified mail, in the following alternative situations:

- Within 30 days of the termination of temporary disability indemnity payments, the employer may offer, in the form and manner prescribed by section 10133.53, modified work accommodating the employee's work restrictions.
- Within 30 days of the termination of temporary disability indemnity payments, the employer may offer in the form and manner prescribed, alternative work meeting all of the conditions of section 10133.53.

The proposed regulation would also require that when the mandatory form "Notice of Modified or Alternative Work for Injuries" was sent to an injured worker, it must be accompanied by a copy of the Request for Dispute Resolution (Form DWC-AD 10133.55).

The proposed regulation would provide that if an employee does not accept or reject an offer of modified or alternative work or within 30 days of the offer, the offer would be deemed to be rejected by the employee.

Necessity:

The proposed regulations are necessary to implement the legislative enactment of the Supplemental Job Displacement Benefit and integrate the Supplemental Job Displacement Benefit notice and Regular, Modified or Alternative Work notices into the benefit notice regulations.

TECHNICAL, THEORETICAL, OR EMPIRICAL STUDIES, REPORTS, OR DOCUMENTS RELIED UPON:

None. The Division did not rely upon any technical, theoretical, or empirical studies, reports, or documents in proposing the regulations.

SPECIFIC TECHNOLOGIES OR EQUIPMENT:

The proposed regulations do not mandate the use of specific technologies or equipment.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATION AND REASONS FOR REJECTING THOSE ALTERNATIVES

The Administrative Director has not identified any effective alternative, or any equally effective and less burdensome alternative to the regulation at this time. The public is invited to submit such alternatives during the public comment process.

FACTS UPON WHICH THE AGENCY RELIES FOR ITS INITIAL DETERMINATION THAT THE REGULATIONS WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON BUSINESS

The Administrative Director has determined that the proposed regulations will not have a significant adverse impact on business because the provision of timely and accurate notices to injured workers improves communications between injured workers and claims administrators, reduces confusion, and minimizes disputes and the litigation that can result from disputes.

The Administrative Director invites the public during the public comment period for this rulemaking to submit information on any possible adverse impacts on business, and to propose alternatives that would lessen any adverse impact on business.

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